

Memorandum

To: Chair and Commissioners

Date: March 19, 2002

From: Diane C. Eidam

**File No:
Reference Number 2.1e(3)
Action**

Ref: Project Approval Amendment to the City of South Lake Tahoe to Amend PA-99-18 for the Park Avenue Intermodal Station Project

Issue:

Should the Commission approve the City of South Lake Tahoe's amended application to change the scope of the project to include a snack bar? There is no change in the amount of Proposition 116 Rail Bond funds on the project.

The Park Avenue Intermodal Station Project was approved for \$6,650,000 in Proposition 116 funds to purchase right-of-way and construction of an intermodal station in the City of South Lake Tahoe. Approval of the attached resolution would allow the City to use a portion of the Proposition 116 funds on construction of a snack bar within the intermodal facility.

Recommendation:

Commission staff has reviewed the Proposition 116 amended application, as well as subsequent clarifications and recommends that the Commission approve the attached resolution, which would grant approval of the City of South Lake Tahoe's amended application to include a snack bar in the scope of work for the Park Avenue Intermodal Station Project. There is no change to the Proposition 116 Rail Bond funds on the project.

Background:

Proposition 116 (PUC Section 99647) authorizes \$7,000,000 to the City of South Lake Tahoe for acquisition of rights-of-way, construction of an intermodal station and related facilities for an exclusive public mass transit guideway project.

In December 1992, the Commission approved \$350,000 of the \$7 million for alternative analysis and the City has determined that an intermodal station in the City of South Lake Tahoe would be economically feasible.

In July 1999, the Commission approved the remaining \$6,650,000 in Proposition 116 Rail Bond funds to the City of South Lake Tahoe for construction of the Park Avenue Intermodal Facility, which included purchase of right-of-way and construction of the facility. The City has committed \$3,248,000 in local funds to the intermodal station project for a total project cost of \$10,248,000.

In February 2002, the Commission received an amended application for \$6,650,000 in Proposition 116 Rail Bond funds from the City of South Lake Tahoe requesting to amend the project to include a snack bar of approximately 231 square feet within the transit facility. There is no overall change to the funding on the

Chair and Commissioners

March 19, 2002

Page 2

project, and the City has submitted an amended bond certification form to the Department for approval of private activity usage so as not to jeopardize the tax-exempt status of the Program.

Acquisition of approximately 1.3 acres on which the intermodal station will be located has been purchased at a cost of \$2,914,000 in previously allocated Proposition 116 funds. The City of South Lake Tahoe would use the \$3,736,000 remaining to be allocated to construct an intermodal station designed to coordinate mass transit, shuttle services and intercity bus and van service, as well as, aerial shuttle service between South Lake Tahoe and Heavenly Ski Resort. The City has not yet concluded that a fixed guideway project is financially feasible, however, the City has stated that the station will be designated and operated so that it will accommodate a fixed guideway mass transit system, either surface or aerial, should such a system become feasible in the future.

The intermodal station will provide bays for boarding and unloading of up to eleven buses at one time. The center will include a 5,000 square-foot transit service center building that contains a transit information booth, ticket booths, public restrooms, passenger waiting area, visitor information center and a 231 square-foot snack bar. The snack bar will be designed to benefit users of the transit facility and will not have its own separate ingress/egress point. The purpose of the snack bar is two-fold. First it will provide users of the transit center a convenient way to obtain refreshments, and second, the rental proceeds generated from the snack bar operation will be paid to the City and the City in turn, will use the funds to offset operational costs of the station, such as utilities and ongoing maintenance costs.

Construction of the terminal is scheduled to commence during the 2002 building season, which runs from May 1 through October 15 of each year. The project schedule contemplates completion of the transit terminal in December 2002.

In terms of the proposed mass transit guideway system, the City of South Lake Tahoe Redevelopment Agency has acquired approximately two miles of easements on either side of Highway 50, from Stateline, Nevada west to Ski Run Road in South Lake Tahoe. This two-mile segment would be the most feasible for the City's initiation of mass transit service.

The City would not begin construction of a fixed-guideway mass transit system until after the intermodal station is completed in 2002. The City plans to reexamine the potential funding sources for construction, rolling stock, and operating and maintenance costs. Should the City identify sufficient funding to make a mass transit system feasible, it would begin planning and performing environmental work for such a system before it begins construction. The timing of additional hotel construction, new convention center, expansion of area ski resorts, and other factors will determine the timing of a mass transit system. Depending upon the aforementioned events, the City might be able to start construction sometime between 2004 and 2006.

CALIFORNIA TRANSPORTATION COMMISSION

Commission Project Application Approval
City of South Lake Tahoe
Proposition 116 Application for the
Park Avenue Intermodal Station

Resolution #PA-02-

Amending Resolution #PA-99-18

- 1.1 WHEREAS, in June 1990 the voters approved Proposition 116, the Clean Air and Transportation Improvement Act, for \$1.99 billion for rail and mass transportation purposes; and
- 1.2 WHEREAS, the California Transportation Commission is designated in Proposition 116 to oversee the five grant programs over the 20-year term of the Proposition; and
- 1.3 WHEREAS, Proposition 116 calls for the Commission to establish an application process and to develop and adopt guidelines to implement those programs; and
- 1.4 WHEREAS, Proposition 116 establishes as a purpose of the application process that it "facilitate implementation of improved cost-effective transit service to the maximum number of Californians and to prevent the funds provided for by this part from being spent on needlessly costly features"; and
- 1.5 WHEREAS, Proposition 116 requires applications to specify full and complete capital plans, financial plans, and operating plans, including schedules and funding sources; and
- 1.6 WHEREAS, in December 1990 the Commission adopted policy and application guidelines (#G-90-23) for the Proposition 116 rail program; and
- 1.7 WHEREAS, pursuant to Proposition 116, PUC Section 99647, authorizes \$7,000,000 to the City of South Lake Tahoe for expenditure on acquisition of rights-of-way, construction of an intermodal station, and related facilities for an exclusive public mass transit guideway project; and
- 1.8 WHEREAS, in December 1992, the Commission approved an application for \$350,000 in Proposition 116 funds for an alternative analysis for a light rail transit system in South Lake Tahoe; and
- 1.9 WHEREAS, in July 1999, the Commission approved the City of South Lake Tahoe's Proposition 116 application for \$6,650,000 in Proposition 116 Rail Bond funds for right-of-way acquisition and construction of the Park Avenue Intermodal Station project in the City of South Lake Tahoe; and

- 1.10 WHEREAS, in February 2002, the Commission received an amended application from the City of South Lake Tahoe requesting a scope change to allow construction of a snack bar within the transit center with no change to the Proposition 116 funds (\$6,650,000) or local funds (\$3,248,000) on the project; and
- 1.11 WHEREAS, the February 2002, Proposition 116 City of South Lake Tahoe amended application, including all supplemental information, has been reviewed by Commission staff, and appear to meet all the basic requirements as specified in Proposition 116 and the Commission's policies and guidelines; and
- 2.1 BE IT THEREFORE RESOLVED, that the Commission hereby grants approval of the Proposition 116 amended application from the City of South Lake Tahoe for the Park Avenue Intermodal Station project for \$6,650,000 for a change of scope to include construction of a snack bar within the transit center; and
- 2.2 BE IT THEREFORE RESOLVED, that approval of the Proposition 116 amended application will commit the total amount available (\$7,000,000) to the City of South Lake Tahoe from Proposition 116, PUC Section 99647, for acquisition of rights-of-way and construction of the Park Avenue Intermodal Station; and
- 2.3 BE IT FURTHER RESOLVED, that a Proposition 116 project approval by the Commission reserves the State funding within the Program, and allows project development work to be undertaken by the applicant agency, which will be subject to state reimbursement pursuant to the Commission's "Financial Guidelines for Local Agency Reimbursement" and subsequent fund transfer agreement.